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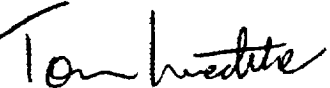
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Foreword

This handbook prescribes policies and procedures relating to the award and administration of NASA research grants and cooperative agreements with educational institutions and other nonprofit organizations.



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Acting Deputy Associate
Administrator for Procurement

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Subpart 1--General

§ 1260.101 Authority.

(a) NASA awards grants and cooperative agreements under the authority of 31 U.S.C. 6301 to 6308. This part 1260 is issued under authority delegated by the Administrator in NASA Management Instruction (NMI) 5101.8, subject "Delegation of Authority to Take Actions in Procurement and Related Matters".

(b) The Office of Management and Budget (OMB) approved information collection under the Paperwork Reduction Act through November 30, 1995, and assigned OMB control numbers 2700-0047, Property Management and Control, and 2700-0049, Financial Management and Control.

§ 1260.102 Applicability.

This part 1260 establishes policies and procedures for all research grants and cooperative agreements awarded by the National Aeronautics and Space Administration (NASA) to educational institutions and other nonprofit organizations. It does not cover training grants, facilities grants, grants for the Centers for the Commercial Development of Space, or contracts.

§ 1260.103 Amendment.

(a) *NASA Research Grant Handbook Directive (GHD)*. This part 1260 will be amended by publication of changes in the Federal Register and by issuance of printed loose-leaf directives containing revised or additional pages for the handbook version of this part 1260. Each revised or new page will contain the date, the GHD number, and an indication of changes made. GHD's will

be numbered consecutively for each edition of the handbook.

(b) *Grant Notice (GN)*. Non-regulatory changes to the handbook which require immediate dissemination may be issued as Grant Notices. The mailing list for Grant Notices is maintained by the Office of Procurement, NASA Headquarters, Procurement Policy Division (Code HP), Washington, DC 20546.

(c) *Effective date*. The NASA Research Grant Handbook and any amendment may be implemented as soon as practicable following the date of issuance, but no later than 60 days thereafter, except as otherwise prescribed by the GHD or GN.

§ 1260.104 Publication and points of contact.

(a) The NASA Research Grant Handbook is published as part 1260 of title 14 of the Code of Federal Regulations (CFR). The handbook is numbered "NASA Handbook (NHB) 5800.1C."

(b) The handbook is also available in loose-leaf form. Subscriptions to the NASA Research Grant Handbook may be purchased by other Government agencies, private concerns, universities, and individuals from the Superintendent of Documents, United States Government Printing Office, Washington, DC 20402, telephone number (202) 783-3238. Requests should cite GPO Subscription Stock No. 933-001-00000-8. A subscription consists of the basic edition, plus all changes issued for an indefinite period.

(c) The NASA Research Grant Handbook, GHD's, and GN's will be distributed by Code HP directly to installation distribution points. These NASA elements must inform the Office of Procurement, NASA Headquarters,

Procurement Policy Division (Code HP) of the numbers of copies required. Requests for additional copies should be sent directly to Code HP by Installation distribution points.

(d) Installation directives, handbooks or similar guidance documents shall not repeat, paraphrase, extract, condense, be inconsistent with or otherwise restate the material contained in this handbook. Upon issuance of any directive, handbook, or similar guidance document affecting grants, Installations shall provide one copy to the Office of Procurement, NASA Headquarters, Procurement Policy Division (Code HP).

(e) NASA grant officers, addresses, and telephone numbers are as follows:

(1) Barbara Cephas, NASA Headquarters, Code HWG, Washington, DC 20546, (202) 358-0504.

(2) Barbara Hastings, NASA Ames Research Center, M/S 241-1, Moffett Field, CA 94035, (415) 604-5802.

(3) Gloria Blanchard, NASA Goddard Space Flight Center, Code 286, Greenbelt, MD 20771, (301) 286-3318.

(4) Daryl W. Chilcutt, NASA Johnson Space Center, M/S BE311, Houston, TX 77058, (713) 483-5441.

(5) Earl Gilbert, NASA Kennedy Space Center, OP-SCO, Kennedy Space Center, FL 32899, (407) 867-7346.

(6) Richard Siebels, NASA Langley Research Center, M/S 126, Hampton, VA 23665, (804) 864-2418.

(7) Saundra Gage, NASA Lewis Research Center, M/S 500/315, Code 1520, Cleveland, OH 44135, (216) 433-2754.

(8) Lydia Van Wagner, NASA Marshall Space Flight Center, Code AP29, Huntsville, AL 35812, (205) 544-0304.

(9) Frank Oerting, NASA Stennis Space Center, Code DA-10, Stennis Space Center,

MS 39529, (601) 688-1638.

§ 1260.105 Deviations.

(a) *Applicability.* A deviation is required for any of the following:

(1) When a prescribed grant provision is set forth verbatim in this handbook, and the Installation uses a provision covering the same subject matter, or omits such provision.

(2) When a grant provision is set forth in this handbook, but not for use verbatim, and the Installation uses a provision covering the same subject matter which is inconsistent with the intent, principle, and substance of the handbook provision.

(3) When a NASA form or other form is prescribed by this handbook, alteration of such form, or use of any other form for the same purpose.

(4) When limitations, imposed by this handbook upon the use of a grant provision, form, procedure, or any other grant action, are changed.

(5) Creation of a form for grantee use which constitutes a "Collection of Information" within the meaning of the Paperwork Reduction Act of 1980 (44 U.S.C. 35) and its implementation in 5 CFR 1320.

(b) *Request for deviations.* Requests for authority to deviate from this handbook shall be submitted to the Office of Procurement, NASA Headquarters, Procurement Policy Division (Code HP). Such requests, signed by the Procurement Officer, will be submitted as far in advance as the situation will permit. Each request for a deviation shall contain as a minimum:

(1) A full description of the deviation and the circumstances in which it will be used.

(2) Detailed rationale for the request, including any pertinent background informa-

tion.

(3) The name of the grantee or party to a cooperative agreement and identification of the grant or cooperative agreement affected, including the dollar value.

(4) A statement as to whether the deviation has been requested previously, and, if so, circumstances of the previous request.

(5) Identification of the handbook requirement from which a deviation is sought.

(6) A description of the intended effect of the deviation.

§ 1260.106 Foreign grants.

Installations requiring grants with institutions located outside the United States, its possessions and its territories, shall forward the procurement package to the Office of Procurement, Headquarters Acquisition Division, Headquarters Grants and Closeout Branch (Code HWG) for negotiation, award, and administration. Code HWG will distribute copies of the grant to the Installation payment office, technical office, and grants office. See § 1260.422(f) for a special condition on inventions for use with foreign grants.

Subpart 2--Definitions

§ 1260.201 Definitions.

Throughout this part 1260 the term "grant" includes "cooperative agreement" unless otherwise indicated.

Administrative grant officer. A grant officer assigned responsibility for grant administration, such as under a delegation from a NASA grant officer.

Administrator. The Administrator or Deputy Administrator of NASA.

Associate Administrator for Procurement. The head of the Office of Procurement, NASA Headquarters (Code H).

Cooperative agreement. An agreement that provides funds to an educational institution or other nonprofit organization to accomplish a public purpose of support or stimulation authorized by Federal statute. Substantial technical involvement between NASA and the recipient is expected and will be identified in the agreement.

Days. Calendar days, unless otherwise indicated.

Educational institution. Any institution which (1) has a faculty, (2) offers courses of instruction, and (3) is authorized to award a degree upon completion of a specific course of study.

Equipment. As used in this handbook, "equipment" is another term for nonexpendable personal property.

(1) *Government furnished equipment.* Equipment in the possession of, or acquired directly by, the Government and subsequently delivered, or otherwise made available, to a grantee.

(2) *Grantee acquired equipment.* Equipment purchased or fabricated with grant funds by a grantee, for the performance of research under its grant.

Grant. An agreement that provides

funds to an educational institution or other nonprofit organization to accomplish a public purpose of support or stimulation authorized by Federal statute. No substantial technical involvement is expected between NASA and the grantee.

Grant officer. A Government employee who has been delegated the authority to negotiate, award, or administer grants.

Grant provision. A term or condition applicable to all grants awarded under this part 1260.

Grant specialist. A Government employee who is assigned the responsibility of negotiating or administering grants.

Historically Black Colleges and Universities. Institutions determined by the Secretary of Education to meet the requirements of 34 CFR 608.2 and listed therein.

Incremental funding. A method of funding a grant where the funds initially allotted to the grant are less than the award amount. Additional funding is added as described in § 1260.302(d).

Minority educational institution. An institution meeting the criteria established in 34 CFR 607.2.

Multiple year grant. A grant for which NASA obligates funds for an initial period and states an intention to obligate funds for one or more additional periods. The initial period together with the unfunded periods exceeds one year. Continuation of the grant is a unilateral decision by the Government based on availability of funds, continued relevance, and scientific progress.

Nonprofit organization. An organization that qualifies for the exemption from taxation under § 501 of the Internal Revenue Code of 1954, as amended, 26 U.S.C. 501.

Performance report. A concise statement of the research accomplished during the

report period. This report will normally be limited to a maximum of three pages.

Property.

(1) *Acquisition cost.* Acquisition cost of an item of nonexpendable personal property means the net invoice unit price of the property, including the cost of modifications, attachments, accessories, or auxiliary apparatus, necessary to make the property usable for the purpose for which it was acquired. Other charges, such as the cost of installation, transportation, taxes, duty, or protective in-transit insurance, shall be included or excluded from the unit acquisition cost in accordance with the grantee's regular accounting practices.

(2) *Nonexpendable personal property.* Nonexpendable personal property means tangible personal property having a useful life of more than 2 years, and an acquisition cost of \$500 or more per unit. A grantee may use its own definition of nonexpendable personal property, provided the definition would at least include all tangible personal property included in this definition.

(3) *Excess personal property.* Excess personal property means any personal property under the control of any Federal agency which is not required for its needs and the discharge of its responsibilities, as determined by each agency's procedures.

(4) *Exempt property.* Exempt property means tangible personal property acquired in whole or in part with Federal funds, title to which is vested in the grantee without further obligation, except as provided in § 1260.506(a)(4), to the Federal Government.

(5) *Expendable personal property.* Expendable personal property refers to all tangible personal property not included in the definition of nonexpendable personal property.

(6) *Non-technical property.* Property which is usable for other than research,

medical, scientific, or technical activities, whether or not special modifications are needed to make it suitable for a particular purpose. Examples include office equipment and furnishings, air conditioning equipment, reproduction and printing equipment, motor vehicles, and automatic data processing equipment. The term "non-technical property" is synonymous with the term "general purpose equipment" in paragraph J.16.a.(4) of OMB Circular No. A-21.

(7) *Personal property.* Personal property means property of any kind except real property. It may be tangible or intangible (such as patents, inventions, and copyrights).

(8) *Real property.* Real property means land, including land improvements, structures and appurtenances thereto, but excluding movable machinery and equipment.

(9) *Technical property.* Equipment which is usable only for research, medical, scientific, or technical activities. The term "technical property" is synonymous with the term "special purpose equipment" in paragraph J.16.a.(3) of OMB Circular No. A-21.

Research. Systematic, intensive study directed toward greater knowledge or understanding of the subject studied. The term includes conferences held for the purpose of communicating research results.

Small business concern. A concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualifies as a small business under the criteria and size standards in 13 CFR part 121.

Small disadvantaged business concern. A small business concern owned or controlled by individuals who are both socially and economically disadvantaged

(within the meaning of § 8(a)(5) and (6) of the Small Business Act, as amended, 15 U.S.C. 637(a)(5) and (6).

Special condition. A term or condition appended to a grant if applicable.

Subcontract. A written agreement between a grantee and a third party for the furnishing of services or supplies.

Summary of research. Summary of results of the entire project. This summary will normally be limited to a maximum of 3 pages, not counting bibliographies, abstracts, and lists of other media in which the research was discussed.

Support. Funding of a NASA research project.

Technical officer. The official of the cognizant NASA office who is responsible for monitoring the technical aspects of the work under a grant.

Women-owned small business concern. A small business concern that is at least 51 percent owned by women who are United States citizens and who also control and operate the business.

Subpart 3--The Process

§ 1260.301 Proposals.

(a) *General.* A grant can result from: (1) a proposal submitted in response to a NASA Research Announcement (NRA), an Announcement of Opportunity (AO), or after approval by the Associate Administrator for Procurement or designee, another type of broad agency announcement (BAA) or (2) an unsolicited proposal.

(b) *Proposals under NRA's and AO's.* The NASA Research Announcement and NASA Announcement of Opportunity (broad agency announcements) are described in NASA Handbook 8030.6.

(c) *Unsolicited proposals.* Guidance on unsolicited proposals is contained in FAR 48 CFR subpart 15.5 and NASA FAR Supplement (NFS) 48 CFR subpart 1815.5. The synopsis requirement in FAR 48 CFR 15.507(b)(4), however, does not apply to the grant process. Contact with agency technical personnel prior to proposal submission is encouraged to determine if preparation of a proposal is warranted. These discussions should be limited to understanding NASA research needs and do not jeopardize the unsolicited status of any subsequently submitted proposal. The grant officer or university affairs officer may refer prospective grantees to technical personnel working in their area of research.

(d) *Cost and budget issues.* The allowability of costs chargeable to NASA research grants is governed by OMB Circulars No. A-21, No. A-88, No. A-110, No. A-122, No. A-128, and No. A-133.

(1) *Cost sharing.* A grant resulting from an unsolicited proposal will include cost sharing if the grantee will benefit from the research results through sales to non-Federal entities. In addition, NASA may

accept cost sharing when voluntarily offered as part of any proposal. The amount of cost sharing is not a factor in determining whether to select a proposal for award.

(2) *Recovery of indirect costs.* Subject to applicable cost principles, NASA normally allows full recovery of indirect expenses, but in no case shall an overhead rate used for determining amounts chargeable to a grant exceed, in equivalence, the most recent overhead rate at the recipient institution for comparable research contracts of the Government. The indirect cost rates are negotiated between grantees and the cognizant agencies assigned under OMB Circular No. A-88. NASA is required to apply the negotiated rate for all grants awarded to a grantee. Added or lowered amounts of indirect cost must be determined by the cognizant agency.

(3) *Multiple year grants.* In accordance with NASA policy to foster continuity of research, multiple year grant proposals are encouraged where appropriate, for a period generally up to 3 years. For multiple year grants that exceed 3 years, the technical officer shall ensure compliance with paragraph 4.h. of NMI 8320.1D. Proposals for multiple year grants shall include a separate budget exhibit for each year of research.

(4) *Budget content.* Proposals shall include budgets as prescribed in this handbook (Budget Summary in Exhibit B of the appendix to this part 1260) and in NRA's and AO's. Narrative detail must support the budgets.

(5) *Incremental funding.* NASA reserves the right to either fully fund or incrementally fund research grants.

(e) *Certifications and assurances.* The following certifications or assurances are required:

(1) *Civil rights requirements--nondis-*

crimination in certain Federally-funded programs. Grantees must furnish assurances of compliance with civil rights statutes specified in 14 CFR parts 1250 through 1252. Such assurances are not required for each grant, if they have previously been furnished and remain current and accurate. Certifications to NASA are normally made on NASA Form 1206, which may be obtained, if required, from the grant officer. If acceptable, the grant officer will forward this assurance to the NASA Office of Equal Opportunity Programs for recording and retention purposes.

(2) *Debarment and suspension, drug-free workplace, and lobbying.* Each proposal shall contain certifications concerning debarment and suspension, drug-free workplace, and lobbying. These certifications and other requirements are contained in 14 CFR parts 1265 and 1271. NASA does not require any particular form or format for the certifications under 14 CFR part 1265.

§ 1260.302 Evaluation and selection.

(a) *Technical evaluation.* Technical evaluation of proposals will be conducted by the cognizant NASA technical office and may be based on peer reviews.

(1) *Proposals under NRA's, AO's, and other BAA's (see § 1260.301(a)).* The technical officer will evaluate proposals in accordance with the criteria in the NRA, AO, or other BAA. Proposals selected for award will be supported by documentation as described in paragraph (b)(1) of this section. When evaluation results in a proposal not being selected, the proposer will be notified in accordance with the NRA, AO, or other BAA.

(2) *Unsolicited proposals.* Evaluation of unsolicited proposals must consider whether:

the subject of the proposal is available to NASA from another source without restriction; the proposal closely resembles a pending competitive acquisition; and the research proposed demonstrates an innovative and unique method, approach, or concept. Recommendations to fund unsolicited proposals will be supported by documentation as described in paragraph (b)(2) of this section. Institutions submitting unaccepted proposals will be notified in writing.

(b) *Documentation requirements.* For proposals selected for award, the technical officer will prepare and furnish to the grant officer the following documentation:

(1) A proposal selected under an NRA, AO, or other BAA (see § 1260.301(a)) shall be supported by a signed selection statement and technical evaluation based on the evaluation criteria stated in the NRA, AO, or other BAA.

(2) An unsolicited proposal recommended for acceptance shall be supported by a justification for acceptance of an unsolicited proposal (JAUP) prepared by the cognizant technical office. The JAUP shall be submitted for the approval of the grant officer after review and concurrence at a level above the technical officer. The evaluator shall consider the following factors, in addition to any others appropriate for the particular proposal:

(i) Unique and innovative methods, approaches or concepts demonstrated by the proposal.

(ii) Overall scientific or technical merits of the proposal.

(iii) Potential contribution of the effort to the agency's specific mission.

(iv) The offeror's capabilities, related experience, facilities, techniques, or unique combinations of these which are integral factors for achieving the proposal

objectives.

(v) The qualifications, capabilities, and experience of the proposed principal investigator, team leader, or key personnel who are critical in achieving the proposal objectives.

(vi) Current, open NRA's under which the unsolicited proposal could be evaluated.

(3) When most of the proposed budget is for equipment or travel and associated indirect cost, the technical officer shall sign, and submit for grant officer approval, an Equipment Justification or Travel Justification. The justification shall describe the extent to which the equipment or travel is necessary to support NASA-sponsored research.

(c) *Proposal budget evaluation.*

(1) The technical officer will review the budget for conformance to program requirements and fund availability, indicating the results of this review in Column B of the proposed budget.

(2) The grant officer will review the budget and the changes made by the technical officer, if any, to identify any budget item which may be unallowable under the cost principles, or which appears unreasonable or unnecessary after considering any budget explanations. The grant officer will complete Column C of the proposed budget after discussing significant changes with the grantee. The grant officer should only request the additional budget detail which is necessary to comply with the instructions for the Budget Summary in Exhibit B of the appendix to this part 1260.

(d) *Incremental funding.* Grants with anticipated annual funding exceeding \$1 million may be funded for less than the amount and period of performance stated in the proposal provided:

(1) Two increments per grant year are authorized. The second increment will be

the balance of funding for the year.

(2) Procedures are established for adding all remaining funds to the grant without any action required of the grantee. The grant officer shall notify the grantee in writing when the remaining funds have been obligated on the grant.

(3) The incremental funding special condition contained in § 1260.422(d) is included in the grant.

(e) *Printing, binding, and duplicating.* Proposals which involve printing, binding, and duplicating in excess of 25,000 pages are subject to the regulations of the Congressional Joint Committee on Printing. The technical office will refer such proposals to the Installation Central Printing Management Officer (ICPMO) to ensure compliance with NMI 1490.1. The grant officer will be advised in writing of the results of the ICPMO review.

(f) *Rights in data.* Section 1260.410 is adequate only for grants for basic or applied research, where the principal purpose (or only expected NASA involvement) is the publication or dissemination of the results, such as in journals or NASA publications (see § 1260.402). Other expected purposes, especially where there may be substantial NASA involvement under a cooperative agreement or grantee development of software programs, may require a special condition providing customized or expanded data rights. The special condition shall be developed by, or in consultation with, intellectual property or patent counsel and may be used in the grant.

(g) *Clean Air and Federal Water Pollution Control Acts.*

(1) By accepting a grant containing § 1260.414, the grantee agrees (for grants exceeding \$100,000) that the expenditure of grant funds is in compliance with the Clean Air Act and the Federal Water Pollution

Control Act.

(2) The Administrator may exempt for a period not to exceed 1 year any individual or class of grant or any subcontract thereunder from the requirements of the Clean Air and Federal Water Pollution Control Acts. Requests for exemptions or renewals thereof shall be made to the Office of Procurement, NASA Headquarters, Procurement Policy Division (Code HP), Washington, DC 20546.

(h) *Choice of Award Instrument.* (1) This paragraph provides guidance on the appropriate choice of award instruments consistent with 31 U.S.C. 6301 to 6308. Throughout this paragraph (h) the term "grant" excludes cooperative agreement.

(2) Procurement Contracts. A procurement contract shall be used as the legal instrument to reflect a relationship between the Federal Government and a recipient whenever (i) the principal purpose of the instrument is the acquisition by purchase, lease, or barter of property or services for the direct benefit or use of the Federal Government; or (ii) whenever NASA determines in a specific instance that the use of a type of procurement contract is appropriate (see paragraph (h)(5)(iii) of this section).

(3) Grants. A grant shall be used as the legal instrument to reflect a relationship between the Federal Government and a recipient whenever the principal purpose of the relationship is the transfer of a thing of value to the recipient in order to accomplish a public purpose of support or stimulation authorized by Federal statute, rather than by acquisition, purchase, lease, or barter of property or services for the direct benefit or use of the Federal Government; and no substantial involvement is expected between NASA, acting for the Federal Government, and the grantee during performance of the

contemplated activity. A proposed award which exhibits the general characteristics set forth in paragraph (h)(6)(i) of this section meets the above-described statutory criteria for use of the grant.

(4) Cooperative Agreements. A cooperative agreement shall be used as the legal instrument to reflect a relationship between the Federal Government and a recipient whenever the principal purpose of the relationship is the transfer of a thing of value to the recipient to accomplish a public purpose of support or stimulation authorized by Federal statute, rather than acquisition by purchase, lease, or barter of property or services for the direct benefit or use of the Federal Government; and substantial involvement is expected between NASA, acting for the Federal Government, and the recipient during performance of the contemplated activity. Situations requiring use of cooperative agreements are limited. The examples and discussions set forth in paragraph (h)(6)(ii) shall be used in determining the existence of "substantial involvement."

(5) Limitations. (i) As a matter of policy, NASA does not award grants for donative assistance purposes, but only to meet program objectives. Research in any academic discipline related to NASA interests normally will qualify; however, advice of counsel should be sought in unusual situations. Similarly, where unusual project activities or organizational attributes are evident, advice of local counsel should be obtained.

(ii) Under no circumstances are cooperative agreements to be used solely to obtain the stricter control requirements typical of a contract.

(iii) 31 U.S.C. 6303 allows the use of contracts "whenever an executive agency determines in a specific instance that the use

of a type of procurement contract is appropriate." This provision accommodates situations in which an agency determines that specific public needs can be satisfied best using the procurement process. However, because the provision, if misused, could allow agencies to circumvent the criteria for use of procurement or assistance instruments, use of this authority is restricted to extraordinary circumstances, and only with prior approval of the Associate Administrator for Procurement.

(iv) It is NASA's policy that non-monetary (zero dollar) grants or cooperative agreements shall not be used (except for no-cost extensions). Loans of Government personal property not associated with a contract, grant, or cooperative agreement under 31 U.S.C. 6301 to 6308, and made under the Space Act of 1958, should be consummated as loan agreements under paragraph 1.211 and Part 3.400 of NHB 4200.1, "Equipment Management Manual."

(v) Grants and cooperative agreements shall not be used as legal instruments for consulting service arrangements (see FAR/NFS 37.2).

(vi) Other instruments authorized by statute shall be used only after it has been determined, with the advise of General Counsel, that the action cannot be accomplished under a grant, cooperative agreement, or contract, as described above.

(6) Characteristics and examples. Subject to the statutory requirements set forth in paragraphs (h)(2), (h)(3), and (h)(4) of this section, the characteristics generally inherent in grants, cooperative agreements, and contracts are as follows:

(i) Grant. (A) The principal purpose is to accomplish a NASA objective through stimulating or supporting the acquisition of knowledge or understanding of the subject

or phenomena under study, or attempting to determine and exploit the potential of scientific discoveries or improvements in technology, materials, processes, methods, devices, or techniques and advance the state of the art;

(B) The exact course of the work and its outcome cannot be defined precisely and specific points in time for achievement of significant results cannot be realistically specified;

(C) NASA desires, or the nature of the proposed investigation is such, that the grantee will bear prime responsibility for the conduct of the research, and exercises judgment and original thought toward attaining the scientific goals within broad parameters of the research areas proposed and the related resources provided;

(D) The research problem is such that long term support (i.e., in excess of 1 year) is required for the study to mature to maximum scientific effectiveness (however, this does not preclude shorter-term grants in special cases);

(E) Meaningful technical reports (as distinguished from the Performance Reports) can be prepared only as new findings are made, rather than on a predetermined time schedule; and

(F) Simplicity and economy in execution and administration are mutually desirable.

(ii) Cooperative agreement. Characteristics inherent in a cooperative agreement include the characteristics of a grant plus the following:

(A) Substantial NASA involvement in and contribution to the technical aspects of the effort are necessary for its accomplishment;

(B) The project, conducted as proposed, would not be possible without extensive NASA-university technical collaboration; and

(C) The nature of the collaboration can be clearly defined and specified in advance. Cooperative agreements would be appropriate, for instance, where a university investigator works for a substantial amount of time at a NASA center (or a NASA investigator works at the university), or when the NASA-university scientific collaboration is such that a jointly authored report is appropriate. The cooperative agreement special provision, required by paragraph 422, must be completed to state the nature of the NASA-recipient cooperative interaction without which the effort would not be possible.

(iii) Procurement contract. The following characteristics are associated with procurement contracts. However, not all characteristics need be present in order for a contract to be the appropriate funding instrument.

(A) The principal purpose is to acquire, for NASA's direct use or benefit, well-defined, specific effort clearly required for the accomplishment of a scheduled NASA mission or project;

(B) The work to be conducted is intended to solve a specific problem;

(C) A specific service, piece of hardware, or improved performance of a specific device is the ultimate end product;

(D) NASA considers it necessary to exercise control over the objectives, direction, specifications, costs or methods of the research, and schedule control is desirable and feasible;

(E) The work to be conducted is classified (however, access to security classified information may be given grantees where a demonstrated need exists);

(F) The end result is clearly defined or parameters and specifications are prepared in advance of the work; and

(G) A significant portion of the total

effort will be performed by an organization other than the one submitting the proposal, and such portion will involve the development, fabrication or acquisition of instruments or hardware.

§ 1260.303 Award procedures.

(a) *General.* NASA policy is to use multiple year grants to support research. However, grants for lesser periods may be awarded.

(b) *Multiple year grant.*

(1) NASA fosters continuation of research and recognizes that research projects may span several years. Proposers are encouraged to submit research proposals that describe the entire research project, supported by annual work and budget plans.

(2) The entire research proposal will be evaluated by the cognizant technical office with the recommendation for award identifying the proposal as a multiple year grant. By use of the Multiple Year Grant special condition, the grant clearly indicates at time of award, the initial grant period and funded value as well as the planned values of the subsequent years of the multiple year grant.

(3) Thus, neither a new proposal nor an additional technical evaluation are required for subsequent funding in the approved period unless a special need for new reviews is indicated by monitoring of the project and of its reports, by the introduction of work outside the scope of the approved proposal, or by the need for substantial unanticipated funding. The technical office will notify the grantee if the grant is to be funded; if additional information is required; or if the Government has determined that additional funding will not be provided.

(4) Based upon availability of funds, continued research relevance and scientific progress made by the grantee (as determined

by the technical officer by monitoring of the grant, including timely submission of performance reports) the Government may elect to fund the subsequent grant periods as identified in the multiple year grant. To insure continuation of a multiple year grant, the technical office must forward to the grant office a funded PR in the amount that the technical officer recommends for continuation. This continued funding for the grant should be processed 45 days before the expiration of the funded period.

(5) Section 1260.422(c) is the special condition for multiple year grants.

(6) Normally, each year of a multiple year grant will be funded at the approximate level indicated in the original award instrument, subject to satisfactory scientific progress, availability of funds and continued relevance to NASA programs. However, NASA program constraints and developments within the project may dictate adjustment in the originally anticipated level. When the actual funding differs from the planned funding, the technical officer shall mark up Column B of the budget summary and provide it to the grant officer with an explanation of any increases. The grantee may rebudget under the grant provisions to keep the project within the funding actually provided.

(7) A funded extension beyond the period listed in the multiple year grant special condition may be proposed, however, it will require the submission of a new proposal, subject to full review as discussed in § 1260.303(c).

(c) *Annual grant.* Grants may be awarded for a short term (e.g., on an annual basis), and may be extended if appropriate. The extension should be executed prior to the grant expiration date. Such extensions (other than no-cost extensions) must be supported by a new proposal from the

grantee. A complete technical evaluation and support documentation are required and should be forwarded to the grant office at least 6 weeks prior to the expiration of the original grant term. If otherwise acceptable, NASA may fund the proposal extensions through a multiple year grant or by an extension of the existing grant.

(d) *Cost sharing.* NASA grantees usually gain no measurable benefit ("mutuality of interest") from grants, other than conducting the research. The statutory requirement for cost sharing based on mutuality of interest applies to NASA grants resulting from unsolicited proposals only in exceptional cases where the grant officer has reason to believe that the grantee will benefit from the research results through sales to non-Federal entities. When cost sharing is required by statute or when the grant officer accepts voluntarily-offered cost sharing, the grant officer shall use a special condition substantially as shown in § 12-60.422(e).

(e) *Partial support.* NASA may provide partial support for a research project or conference where additional Federal funding is being provided by other agencies. If the grant also involves cost sharing by the grantee, the grant officer will ensure that the cost sharing special condition applies only to the non-Federal funding.

(f) *Grant renewals.* If grants are to be renewed, this should be done prior to the grant expiration date. Although the grant officer has little control over the timely receipt of purchase requests, he/she is responsible for informing the technical officer of current lead-time requirements and for timely processing continuation agreements. Alternatively, if a grant is not to be renewed, the grantee should be given a minimum of 4 months advance notice of pending close-out (see § 1260.511(a)).

(g) *Instrument usage.* To eliminate the paperwork burdens associated with the closeout of a grant and negotiation of a new grant for continuing the same effort, ongoing efforts at the same institution will be continued by amending or supplementing the current instrument unless there is a significant change in the nature of the work. If a new grant must be issued, the period of performance should be continuous with the previous award.

(h) *Unilateral award.* Grants may be awarded, amended, or extended unilaterally at the discretion of the grant officer.

§ 1260.304 Format and numbering.

(a) *General.* The grant shall be brief in format, containing only those provisions and special conditions necessary to protect the interests of the Government.

(b) *Formats.* Grant officers are authorized to use the formats in Exhibit B of the appendix to this part 1260 for the award of all research grants and cooperative agreements. Computer-generated versions and omission of inapplicable items are allowed. Special conditions, if required, shall be placed on a separate page. In all instances, the heading, "SPECIAL CONDITION(S), GRANT (COOPERATIVE AGREEMENT) N_____", shall be used, followed by the applicable special condition(s). Use of pre-printed checklists containing all special conditions or a separate page for each special condition is not authorized. An acceptance block may be added when the grant officer considers it necessary to require bilateral execution of the grant. When enclosing detailed budgets with the grant, the grant officer will strike out any information that would reveal salaries paid by the grantee.

(c) *Grant numbering.* The identification numbering system for all research grants shall conform to NFS 48 CFR 1804.7102-3, except that a NAG prefix will be used in lieu of the NAS prefix. The prefix designation, will include the Center Identification Number; e.g., NAGW would be the Headquarters prefix designation, and NAG5 would be the Goddard prefix designation. Grants will be sequentially numbered beginning with "1."

(d) *Cooperative agreement numbering.* The numbering system for cooperative agreements will be the same as for grants, except that NCC (for Centers) and NCCW (for Headquarters) prefixes shall be used in lieu of the NAG and NAGW prefixes.

§ 1260.305 Distribution of grants.

Copies of grants and grant supplements will be provided to: payment office, technical officer, administrative grant officer when delegation has been made, NASA Center for Aerospace Information (CASI), Attn: Document Processing Section, 800 Elkridge Landing Road, Linthicum Heights, Maryland 21090-2934, and any other appropriate recipient. Copies of the statement of work, contained in the grantee's proposal and accepted by NASA, will be provided to the administrative grant officer and CASI. The grant file will contain a record of the addresses for distributing grants and grant supplements.

Subpart 4--Provisions and Special Conditions

§ 1260.401 General.

The provisions set forth in this subpart 1260.4 shall be incorporated in and made a part of all NASA research grants (§§ 1260.402 through 1260.421) and cooperative agreements (§§ 1260.402 through 1260.421 and 1260.422(b)) subject to this part 1260. Whenever the words "grant" or "grantee" appear in these provisions and special conditions, they shall be deemed to include, as appropriate, the words "cooperative agreement" and "recipient of cooperative agreement," respectively. The provisions for use in grants will be incorporated by reference in an enclosure to each grant (see Exhibit B as listed in the appendix to this part 1260). Special conditions (§ 1260.422(b) through (h)) will be incorporated in full text. For inclusion of provisions in subcontracts, see § 1260.510(d) and (e).

§ 1260.402 Publications and reports.

Publications and Reports (Jun. 1993)

(a) NASA encourages the widest practicable dissemination of research results at any time during the course of the investigation.

(b) All information disseminated as a result of the grant, shall contain a statement which acknowledges NASA's support and identifies the grant by number.

(c) Prior approval by the NASA grant officer is required only where the grantee requests that the results of the research be published in a NASA scientific or technical publication. Two copies of each draft publication shall accompany the approval

request.

(d) Reports shall be informal in nature and contain full bibliographic references, abstracts of publications and lists of all other media in which the research was discussed. Reports ordinarily should not exceed 3 pages, not counting bibliographies, abstracts, and lists of other media. The grantee shall submit the following technical reports:

(1) A performance report for every year of the grant (except the final year). Each report is due 60 days before the anniversary date of the grant and shall describe research accomplished during the report period.

(2) A summary of research, which is due by 90 days after the expiration date of the grant, regardless of whether or not support is continued under another grant. This report is intended to summarize the entire research accomplished during the duration of the grant.

(e) Performance reports and summaries of research shall display the following on the first page:

- (1) Title of the grant.
- (2) Type of report.
- (3) Name of the principal investigator.
- (4) Period covered by the report.
- (5) Name and address of the grantee's institution.

(6) Grant number.

(f) An original and two copies, one of which shall be of suitable quality to permit micro-reproduction, shall be sent as follows:

(1) Original--administrative grant officer.

(2) Copy--technical officer.

(3) Micro-reproducible copy--NASA Center for Aerospace Information (CASI), Attn: Accessioning Department, 800 Elkridge Landing Road, Linthicum Heights, Maryland 21090-2934.

§ 1260.403 Extensions.

Extensions (Jun. 1992)

(a) It is NASA policy to provide maximum possible continuity in funding grant-supported research, and grants may be extended for additional periods of time. Any extension requiring additional funding should be supported by a proposal submitted at least 3 months in advance of the expiration date of the grant.

(b) Grantees may extend the expiration date of a grant or a supplement thereto if additional time beyond the established expiration date is required to assure adequate completion of the original scope of work within the funds already made available. For this purpose, the grantee may make a single no-cost extension not exceeding 12 months. The grantee must make the extension prior to the expiration date and must notify the administrative grant officer in writing within 10 days of making the extension. Requests for all other extensions (in excess of 30 days) must be submitted, in writing, to the administrative grant officer for prior approval.

§ 1260.404 Suspension or revocation.

Suspension or Revocation (Sep. 1993)

(a) If NASA determines that the grantee has failed to comply with the grant, NASA may suspend or revoke the grant in whole or in part after consultation with the grantee. Suspension or revocation of the grant prior to the planned expiration date will be reserved for exceptional situations which cannot be handled any other way.

(b) Suspension of the grant may occur when the grantee has failed to comply with the terms of the grant. Upon reasonable notice to the grantee, NASA may

temporarily suspend the grant, withhold further payments, and prohibit the grantee from incurring additional costs, pending corrective action by the grantee or a decision by NASA to revoke the grant. NASA will allow all necessary and proper costs which the grantee could not reasonably avoid during the period of suspension.

(c) In the event of revocation, the grantee shall refund to NASA any unexpended funds that it has received under the grant, except such portion thereof as may be required by the grantee to meet commitments which had in the judgment of NASA become firm prior to the effective date of revocation and are otherwise appropriate. Significantly reduced availability of the services of the principal investigator(s) named in the grant instrument may be grounds for revocation, unless alternative arrangements are made and approved in writing by the administrative grant officer.

§ 1260.405 Change in principal investigator or scope.

Change in Principal Investigator or Scope (Feb. 1992)

The grantee shall obtain the approval of the NASA grant officer to change the principal investigator or to continue the research work during a continuous period in excess of 3 months without the participation of an approved principal investigator. Change in objective or scope, likewise, requires prior approval.

§ 1260.406 Allowable costs.

Allowable Costs (Jun. 1993)

(a) OMB Circular No. A-21, "Cost Principles for Educational Institutions," OMB Circular No. A-122, "Cost Principles

for Nonprofit Organizations," and OMB Circular No. A-110, "Grants and Agreements with Institutions of Higher Education, Hospital and other Nonprofit Organizations," as applicable, govern the allowability of costs chargeable to research sponsored by NASA under grants, except that cost-related and administrative "prior approvals" required by A-21 and A-110 are waived unless specifically required elsewhere in the grant provisions or special conditions. Sections 1260.405, 1260.408, and 1260.413 require prior approvals.

(b) Payments to individuals for consultant services under a NASA grant shall not exceed the daily equivalent of the maximum rate paid to a GS-18 Federal employee. The limit applies to personal compensation exclusive of expenses and indirect cost.

(c) Grantees may approve preaward costs of up to 90 days prior to the effective date of a new award, provided the costs are necessary for the effective and economical conduct of the project and they are otherwise allowable under the terms of the grant. Any preaward expenditures are made at the grantee's risk. Approval by the grantee does not impose any obligations on NASA in the absence of appropriations, if an award is not subsequently made, or if an award is made for a lesser amount than the grantee anticipated.

(d) In addition, Comptroller General decisions govern allowability of costs for international air transportation (see § 1260.420(b)).

§ 1260.407 Financial management.

Financial Management (Jun. 1992)

(a) *Payment.* Advance payments by electronic funds transfer will be made by the Financial Management Office of the NASA

Installation which issued the grant. The grantee shall submit Federal Cash Transaction Reports (SF 272) to the aforementioned office and, if NASA has delegated administration, to the administrative grant officer, within 15 working days following the end of each Federal fiscal quarter, containing current estimates of the cash requirements for each of the 4 months following the quarter being reported. The final SF 272 is due within 90 days after the expiration date of the grant.

(b) *Management and audit.* The grantee's financial management system shall meet the standards set forth in § 1260.509. The provisions of OMB Circular No. A-133, "Audit of Institutions of Higher Education and Other Nonprofit Organizations," or OMB Circular No. A-128, "Audits of State and Local Governments," as applicable, apply to this award. NASA Federal domestic assistance numbers do not apply to NASA grants.

(c) *Records.* Financial records, supporting documents, statistical records, and all other records (or microfilm copies) pertinent to this grant shall be retained for a period of 3 years, except that (1) if any litigation, claim, or audit is started before the expiration of the 3-year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved, and (2) records for nonexpendable property acquired with grant funds shall be retained for 3 years after its final disposition. The retention period starts from the date of the submission of the final Federal Cash Transactions Report (SF 272). The Administrator of NASA and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any pertinent books, documents, papers, and records of the grantee and of subcontractors to make audits,

examinations, excerpts, and transcripts. All provisions of this paragraph (c) shall apply to any subcontractor performing substantive work under this grant.

(d) *Unexpended balances.* Any unexpended balance of funds which remains at the end of any funding period, except the final funding period of the grant, shall be carried over to the next funding period, and may be used to defray costs of any funding period of the grant. The estimated amount of unexpended funds shall be identified in the grant budget section of the grantee's renewal proposal.

§ 1260.408 Equipment and other property.

Equipment and Other Property (Jun. 1993)

(a) NASA grants permit acquisition of technical property required for the conduct of research. Acquisition of property costing in excess of \$5,000 and not included in the approved proposal budget requires the prior approval of the administrative grant officer unless the item is merely a different model of an item shown in the approved proposal budget. Requests for prior approval of technical property may be made telephonically to the administrative grant officer.

(b) Grantees may not purchase, as a direct cost to the grant, items of non-technical property, examples of which include but are not limited to office equipment and furnishings, air conditioning equipment, reproduction and printing equipment, motor vehicles, and automatic data processing equipment. If the grantee requests an exception, the grantee shall submit a written request for administrative grant officer approval, prior to purchase by the grantee, stating why the grantee cannot charge the

property to indirect costs.

(c) Under no circumstances shall grant funds be used to acquire land or any interest therein, to acquire or construct facilities, or to procure passenger carrying vehicles.

(d) Title to equipment purchased with grant funds shall vest in the grantee unless otherwise provided. The Government reserves the right to require transfer to itself of title to items costing more than \$1,000 each or, when fabricated into a single coherent system, in aggregate cost. Such reservation is subject to § 1260.506.

(e) Title to Government furnished equipment (including equipment, title to which has been transferred to the Government pursuant to § 1260.408(d) prior to completion of the work) will remain with the Government.

(f) Title to expendable personal property shall vest in the grantee upon acquisition. If there is a residual inventory of such property exceeding \$1,000 in total aggregate fair market value, upon termination or expiration of the grant, and the property is not needed for any other Federally sponsored project or program, the grantee shall retain the property for use on non-Federally sponsored activities, or sell it, but must in either case, compensate the Federal Government for its share. The amount of compensation shall be computed in accordance with subparagraph 6c, Attachment N to OMB Circular No. A-110.

(g) The grantee shall establish and maintain property management standards for nonexpendable personal property and otherwise manage such property as set forth in § 1260.507.

(h) Annually by July 31, the grantee shall submit 2 copies of an inventory report which lists all Government furnished equipment in their custody as of June 30. The grantee shall submit 2 copies of a final inventory report by 60 days after the

expiration date of the grant. The final inventory report shall contain a list of all grantee acquired equipment and a list of Government furnished equipment. Annual and final inventory reports shall reflect the elements required in § 1260.507(a)(1) and be submitted to the administrative grant officer. When Government furnished equipment is no longer needed, the grantee shall notify the administrative grant officer, who will provide disposition instructions.

§ 1260.409 Patent rights--retention by the grantee.

**Patent Rights--Retention by the Grantee
(Feb. 1992)**

This award is subject to the provisions of 37 CFR 401.3(a) which requires use of the standard clause set out at 37 CFR 401.14 "Patent Rights (Small Business Firms and Nonprofit Organizations)" and the following:

(a) Where the term "contract" or "contractor" is used in the "Patent Rights" clause, the term shall be replaced by the term "grant" or "grantee," respectively.

(b) In each instance where the term "Federal Agency," "agency," or "funding Federal agency" is used in the "Patent Rights" clause, the term shall be replaced by the term "NASA."

(c) The NASA regulation applicable to paragraph (e) of the "Patent Rights" clause is at 14 CFR subpart 1245.2, Licensing of NASA Inventions, § 1245.210.

(d) The following item is added to the end of paragraph (f) of the "Patent Rights" clause:

(5) The grantee shall include a list of all Subject Inventions required to be disclosed during the preceding year in the performance report, technical report,

or renewal proposal, and a complete list (or a negative statement) for the entire award period shall be included in the summary of research.

(e) The term "subcontract" in paragraph (g) of the "Patent Rights" clause shall include purchase orders.

(f) The NASA implementing regulation for paragraph (g)(2) of the "Patent Rights" clause is at 48 CFR 1827.373(b) (NASA FAR Supplement, 18-27.373(b)).

(g) The following requirement constitutes paragraph (l) of the "Patent Rights" clause:

(l) Communications.

A copy of all submissions or requests required by this clause, plus a copy of any reports, manuscripts, publications or similar material bearing on patent matters, shall be sent to the Installation Patent Counsel and the administrative grant officer in addition to any other submission requirements in the grant provisions. If any reports contain information describing a "subject invention" for which the grantee has elected or may elect title, NASA will use reasonable efforts to delay public release by NASA or publication by NASA in a NASA technical series, for 6 months from the date of receipt, in order for a patent application to be filed, provided that the grantee identify the information and the "subject invention" to which it relates at the time of submittal. If required by the administrative grant officer, the grantee shall provide the filing date, serial number and title, a copy of the patent application, and a patent number and issue date for any "subject invention" in any country in which the grantee has applied for patents.

§ 1260.410 Rights in data.

Rights in Data (Feb. 1992)

The grantee grants to the Government, for Governmental purposes, the right to publish, translate, reproduce, deliver, use and dispose of, and to authorize others to do so, all data, including reports, drawings, blueprints, and technical information resulting from the performance of work under this grant.

§ 1260.411 Security.

Security (Jun. 1992)

Normally, NASA grants do not involve classified defense information. However, if information is sought or developed by the grantee that should be classified in the interests of national security, the NASA grant officer who issued the grant shall be notified immediately.

§ 1260.412 Civil rights.

Civil Rights (Jun. 1993)

Work on NASA grants is subject to the provisions of Title VI of the Civil Rights Act of 1964 (Public Law 88-352; 42 U.S.C. 2000d-1), Title IX of the Education Amendments of 1972 (20 U.S.C. 1680 et seq.), Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), and the NASA implementing regulations (14 CFR parts 1250, 1251, and 1252).

§ 1260.413 Subcontracts.

Subcontracts (Jun. 1992)

(a) NASA grant officer consent is required for subcontracts over \$25,000, if not accepted by NASA in the original proposal, and may be requested through the administrative grant officer by providing the name of the subcontractor and the purpose and dollar amount of the subcontract. For subcontracts over \$100,000, the grantee shall provide the following additional information, as a minimum, to the administrative grant officer for forwarding to the NASA grant officer:

(1) A copy of the proposed subcontract.

(2) Basis for subcontractor selection.

(3) Justification for lack of competition when competitive bids or offers are not obtained.

(4) Basis for award cost or award price.

(b) The grantee shall utilize small business concerns, small disadvantaged business concerns, Historically Black Colleges and Universities, minority educational institutions, and women-owned small business concerns as subcontractors to the maximum extent practicable.

§ 1260.414 Clean Air-Water Pollution Control Acts.

Clean Air-Water Pollution Control Acts (Mar. 1992)

If this grant or supplement thereto is in excess of \$100,000, the grantee agrees to notify the administrative grant officer promptly of the receipt, whether prior or subsequent to the grantee's acceptance of this grant, of any communication from the Director, Office of Federal Activities, Environmental Protection Agency (EPA), indicating that a facility to be utilized under or in the performance of this grant or any subcontract thereunder is under consideration to be listed on the EPA "List of Violating Facilities" published pursuant

to 40 CFR 15.20. By acceptance of a grant in excess of \$100,000, the grantee (a) stipulates that any facility to be utilized thereunder is not listed on the EPA "List of Violating Facilities" as of the date of acceptance; (b) agrees to comply with all requirements of Section 114 of the Clean Air Act, as amended (42 U.S.C. 1857 et seq. as amended by Public Law 91-604) and Section 308 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq. as amended by Public Law 92-500) relating to inspection, monitoring, entry, reports and information, and all other requirements specified in the aforementioned Sections, as well as all regulations and guidelines issued thereunder after award of and applicable to the grant; and (c) agrees to include the criteria and requirements of this clause in every subcontract hereunder in excess of \$100,000, and to take such action as the administrative grant officer may direct to enforce such criteria and requirements.

§ 1260.415 Procurement standards.

Procurement Standards (Feb. 1992)

The grantee's procurement practices shall meet the standards set forth in § 1260.510.

§ 1260.416 Interest bearing accounts.

Interest Bearing Accounts (Jan. 1992)

Advances of federal funds shall be maintained in interest bearing accounts. Interest earned on federal advances deposited in such accounts shall be remitted to NASA at least quarterly, as instructed by the Financial Management Office of the NASA installation which issued the grant. Interest amounts up to \$100 per year may be retained by the grantee.

§ 1260.417 Debarment and suspension and drug-free workplace.

Debarment and Suspension and Drug-Free Workplace (Feb. 1992)

NASA grants are subject to the provisions of 14 CFR part 1265, Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide requirements for Drug-Free Workplace (Grants), unless excepted by §§ 1265.110 or 1265.610. The certifications required by that regulation must accompany extension proposals.

§ 1260.418 Foreign national employee investigative requirements.

Foreign National Employee Investigative Requirements (May 1992)

(a) The grantee shall submit a properly executed Name Check Request (NASA Form 531) and a completed applicant fingerprint card (Federal Bureau of Investigation Card FD-258) for each foreign national employee requiring access to a NASA Installation. These documents shall be submitted to the Installation's Security Office at least 75 days prior to the estimated duty date. The NASA Installation Security Office will request a National Agency Check (NAC) for foreign national employees requiring access to NASA facilities. The NASA Form 531 and fingerprint card may be obtained from the NASA Installation Security Office.

(b) The Installation Security Office will request from NASA Headquarters, International Relations Division (Code IR), approval for each foreign national's access to the Installation prior to providing access to the Installation. If the access approval is

obtained from NASA Headquarters prior to completion of the NAC and performance of the grant requires a foreign national to be given access immediately, the technical officer may submit an escort request to the Installation's Chief of Security.

§ 1260.419 Restrictions on lobbying

Restrictions on Lobbying (Apr. 1990)

This award is subject to the provisions of 14 CFR part 1271 "New Restrictions on Lobbying."

§ 1260.420 Travel and transportation.

Travel and Transportation (Jun. 1993)

(a) Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974 (49 App. U.S.C. 1517)(Fly America Act) requires the grantee to use U.S.-flag air carriers for international air transportation of personnel and property to the extent that service by those carriers is available.

(b) Department of Transportation regulations, 49 CFR part 173, govern grantee shipment of hazardous materials and other items.

§ 1260.421 Program income.

Program Income (Jun. 1992)

Program income shall be retained by the grantee and shall be added to funds already committed to the project and used to further project objectives.

§ 1260.422 Special conditions.

(a) In addition to the provisions set forth in this subpart, NASA grants are subject to

various conditions which either are not applicable to all awards or are temporary in nature. Such conditions are not incorporated by reference or printed in NASA Form 1463A, "NASA Provisions for Research Grants and Cooperative Agreements," but are appended in full text to specific grants, as applicable.

(b) With respect to cooperative agreements under 31 U.S.C. 6305, it has been determined that the NASA guidelines and regulations applicable to grants will apply to cooperative agreements. The cooperative agreement, NASA Form 1562, shall contain a special condition stating the nature of the recipient/NASA interaction in accordance with 31 U.S.C. 6305. That special condition is as follows:

Cooperative Agreement Special Condition (Feb. 1992)

This award is a cooperative agreement as it is anticipated that there will be substantial NASA involvement during performance of the effort. That is, the recipient can expect NASA collaboration or participation in the management of the project. The terms "grant" and "grantee" mean "cooperative agreement" and "recipient of cooperative agreement," respectively, wherever the terms appear in provisions and special conditions included in this agreement. NASA and the recipient mutually agree to the following statement of anticipated cooperative interactions which may occur during the performance of this effort. (Insert here a concise statement of the exact nature of the cooperative interactions. In addition, note that the statement must deal with existing facts and not contingencies. Under no circumstances shall the statement be used as a work statement or an expanded grant title.)

(c) See § 1260.303(b)(5).

Multiple Year Grant (Nov. 1991)

This is a multiple year grant. Contingent on the availability of funds, scientific progress of the project and continued relevance to NASA programs, NASA anticipates continuing support at approximately the following levels:

Second year \$... Anticipated funding date: _____

Third year \$... Anticipated funding date: _____

(Additional periods may be included or omitted as applicable.)

(d) See § 1260.302(d).

Incremental Funding (Jun. 1992)

Only \$_____ of the amount indicated on the face of this award is available for payment and allotted to this award. NASA contemplates making an additional allotment in the amount of \$_____ by _____.

These funds will be obligated to the grant as appropriated funds become available without any action required by the grantee, and the grantee will be given written notification by the NASA grant officer. NASA is not obligated to reimburse the grantee for the expenditure of amounts in excess of the total funds allotted by NASA.

(e) See § 1260.303(d).

Cost Sharing (Jun. 1992)

The grantee agrees to share in the cost of the research by charging to the Government no more than ____ percent of the costs

incurred in performing the work contemplated by the grant as determined to be allowable in accordance with 14 CFR 1260.406. The remaining _____ percent, or more, of the allowable costs of performance so determined will constitute the grantee's share and will not be charged to the Government under this grant or under any other grant or contract (including allocation to other grants or contracts as part of an independent research and development program). The grantee will maintain records of all grant costs claimed by the grantee as constituting part of its share and such records shall be subject to audit by the Government.

(f) See § 1260.106. "INVENTION REPORTING AND RIGHTS -- FOREIGN" in NASA FAR Supplement 18-52.227-85 (48 CFR 1852.227-85) (suitably tailored to identify the parties and the instrument) may be used as a special condition unless in consultation with Installation Patent Counsel, a different provision would be more appropriate.

(g) See § 1260.605(a).

Reports Substitution (Feb. 1992)

Technical reports may be substituted for the required performance reports. The title page of such reports shall clearly indicate that the substitution has been made, showing the period covered by the originally required performance report.

(h) See § 1260.605(d).

Withholding (Jul. 1992)

Pending receipt of the satisfactorily completed summary of research and other final reports under this grant, the financial

management office will withhold
\$_____ from the last payment.

Subpart 5--Administration

§ 1260.501 Delegation of administration.

(a) *Policy.* Pursuant to the Government-wide "cross-servicing" policy, it is NASA's policy to delegate administration to the Office of Naval Research (ONR).

(b) *Procedures.* Delegations will be made using NASA Form 1430, "Letter of Contract Administration Delegation, General;" NASA Form 1430A, "Letter of Contract Administration Delegation, Special Instructions;" and NASA Form 1431, "Letter of Acceptance of Contract Administration Delegation." The grant officer will inform the grantee, in writing, that the delegation has been made, and provide specific instructions regarding actions requiring ONR involvement.

(c) *Types of administration.*

(1) *Full administration.* The grant officer will use NASA Form 1430, as provided in Exhibit A, Figure 1, of the appendix to this part 1260, to delegate to ONR full administration for each grant, except when ONR is not the cognizant administration office or when ONR administration services are not reasonably available.

(2) *Property administration.* Property administration (review and approval of grantees' property control procedures, and on-site surveys of grantees' property control systems) and plant clearance (screening, redistribution and disposal of Government property from grantees' work sites) will be delegated to ONR. Installations will use standard, special instruction wording on the NASA Form 1430A, as provided in Exhibit A, Figure 2, of the appendix to this part 1260.

(3) *Closeout.* Grant closeout may be retained if the grant officer determines that delegation to ONR is not in the best interest

of NASA. Closeout delegation must be preceded or accompanied by a Property Administration and Plant Clearance Delegation (if any grantee acquired or Government-furnished equipment (GFE) is involved). Installations will use standard special instruction wording on the NASA Form 1430A, as provided in Exhibit A, Figure 3, of the appendix to this part 1260. ONR shall obtain the approval of the NASA grant officer prior to initiating closeout. To expedite closeout, NASA grant officers shall respond to ONR inquiries within 30 days. NASA grant officers shall inform individuals named on NASA Form 1430A, Item 4(f), (i) that a delegation has been made and (ii) of the requirement for timely responses to any inquiries received directly from ONR.

§ 1260.502 Grant supplements.

The NASA grant officer may modify a grant by using a grant supplement. Uses include multiple year grants and grant renewals (§ 1260.303(b) and (f)), extensions (§ 1260.403), incremental funding (§ 1260.302(d)), and novations (§ 1260.505).

§ 1260.503 Adherence to original budget estimates.

Although NASA assumes no responsibility for budget overruns, the grantee may spend grant funds for the proposed research without strict adherence to individual allocations within total budgets, except as provided in § 1260.408(a) and (b) and § 1260.413(a).

§ 1260.504 Suspension or revocation.

(a) *Policy.* Suspension or revocation of a grant prior to the planned expiration date must be reserved for exceptional situations

which cannot be handled any other way (see § 1260.404). Before suspending or revoking any grant with a university, the NASA grant officer and technical officer shall take into account the consequences to graduate students working under the grant.

(b) *Suspension of the grant.* When a grantee has failed to comply with the terms of a grant, NASA may, upon reasonable notice to the grantee, temporarily suspend the grant, withhold further payments, and prohibit the grantee from incurring additional costs, pending corrective action by the grantee or a decision by NASA to revoke the grant. NASA will allow all necessary and proper costs that the grantee could not reasonably avoid during the period of suspension.

§ 1260.505 Transfers, novations, and change of name agreements.

(a) *Transfer of grants.* Novation as provided in § 1260.505(b), is the only means by which a grant may be transferred from one institution to another. When the principal investigator changes organizational affiliation and desires support for the research at a new location and novation is not used, a new proposal must be submitted to NASA via the appropriate officials of the new institution. Although such a proposal will be reviewed in the normal manner, every effort will be made to expedite a decision. Regardless of the action taken on the new proposal, final reports on the original grant, describing the scientific progress and expenditure to date, will be required.

(b) *Novation and change of name.* All novation agreements and change of name agreements of the grantee, prior to execution, shall be reviewed by legal counsel for legal sufficiency. When a change in principal investigator from one institution to another occurs, novation of the grant is

preferable to revocation.

§ 1260.506 Use, disposition, and vesting of title to equipment.

(a) *Policy.* The following policies will be reflected, as applicable, in NASA grants.

(1) Title to equipment purchased with grant funds vests in the grantee subject to § 1260.506(a)(4), and the equipment does not automatically follow the principal investigator when he or she leaves the institution.

(2) Title to Government furnished equipment remains with the Government. In accordance with Public Law 94-519, NASA policy is not to furnish excess property, acquired by NASA from other Government agencies, to grantees.

(3) When Government furnished equipment is reported excess by a grantee, the administrative grant officer will report the equipment to the Installation property disposal officer for further NASA use. If NASA has no further need for the property, it shall be declared excess by the Installation property disposal officer and reported to the General Services Administration. Disposition instructions will be issued to the grantee by the administrative grant officer after completion of the Federal-wide review by GSA.

(4) NASA may require transfer to it of title to individual items or coherent systems (§ 1260.506(a)(9)) of grantee acquired equipment purchased at a cost of more than \$1,000 subject to the following conditions:

(i) NASA shall notify the grantee in writing.

(ii) NASA shall issue disposition instructions by 120 days after the end of the grant under which it was acquired. If NASA fails to issue disposition instructions within the 120-day period, the grantee shall apply the standards of subparagraphs 6b and 6c, Attachment N to OMB Circular No. A-

110, as appropriate.

(iii) When NASA exercises its right to take title, the equipment shall be subject to the provisions for Government furnished equipment discussed in § 1260.507(a).

(iv) When title is transferred to the Federal Government, the provisions of subparagraph 6c(2)(b), Attachment N to OMB Circular No. A-110, shall be followed.

(5) Title to equipment costing \$1,000 or less is not subject to transfer to the agency, except under the conditions of § 1260.506(a)(9).

(6) NASA procedure does not require a grantee to transfer title to grantee acquired equipment directly to another grantee or contractor. Such transfers are accomplished by the Government's taking title and issuing it as Government furnished equipment.

(7) NASA normally will not recover equipment that a grantee desires to retain unless it is required for NASA work at a different location.

(8) Cost sharing by NASA and a grantee in the acquisition of individual items or coherent systems of equipment, that could result in joint ownership, shall normally be avoided. When joint ownership cannot be avoided, and the NASA contribution will exceed \$1,000, agreement regarding NASA retention of its option to take title and the conditions under which the option (if retained) will be exercised, shall be reached and documented prior to purchase.

(9) When two or more components are fabricated into a single coherent system in such a way that the components lose their separate identities, and their separation would render the system useless for its original purpose, the components will be considered as integral parts of a single system. If such a system includes grantee-owned components (for cost sharing or other purposes), § 1260.506(a)(8) applies.

The requirement for agreement regarding NASA's retention of its option to take title shall further apply where it is expected that one or more grantee-acquired components costing \$1,000 or less will be fabricated into a single coherent system costing in excess of \$1,000. However, an item that is used ancillary to a system, without loss of its separate identity and usefulness, will be considered as a separate item and not as an integral component of the system.

(b) *Procedures.*

(1) When a decision is made to revoke, not renew, or otherwise not continue support of a grant, the administrative grant officer shall notify the grantee in writing of the requirement under the grant for submission of a final inventory report of grantee acquired equipment and Government furnished equipment.

(2) When the technical officer desires that NASA take title to an item of grantee acquired equipment, the technical officer shall request the administrative grant officer to obtain information regarding the grantee's desire to retain the equipment, the use to which it would be put in the absence of further NASA support of the grant, and the effect of removal of the equipment.

(3) The administrative grant officer shall obtain the information described in § 1260.506(b)(2) and provide copies to the technical officer and the Headquarters Supply and Equipment Management Office (Code JIE) for their coordinated review and recommendation regarding acquisition of title. The technical officer shall inform the administrative grant officer of the recommendation by means of a memorandum concurring in by Code JIE.

(4) When NASA acquires title to items of grantee acquired equipment, the administrative grant officer shall notify both the cognizant NASA Installation financial management officer and supply and equip-

ment management officer to ensure proper entries in financial and property accounting records.

§ 1260.507 Property management standards.

(a) *Nonexpendable personal property.*

As prescribed by OMB Circular No. A-110, the grantee shall be subject to the following property management standards for Government furnished equipment and grantee acquired equipment:

(1) Property records shall be maintained accurately and shall include:

(i) A description of the property.

(ii) Manufacturer's serial number, model number, national stock number, or other identification number.

(iii) Source of the property, including grant or other agreement number.

(iv) Whether title vests in the grantee or the Federal Government.

(v) Acquisition date (or date received, if the property was furnished by the Federal Government) and cost.

(vi) Percentage (at the end of the budget year) of Federal participation in the cost of the project or program for which the property was acquired. (Not applicable to property furnished by the Federal Government.)

(vii) Location, use and condition of the property and the date the information was reported.

(viii) Unit acquisition cost.

(ix) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the Federal sponsoring agency for its share.

(2) Property owned by the Federal Government must be marked to indicate Federal ownership.

(3) A physical inventory of property

shall be taken and the results reconciled with the property records at least once every 2 years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The grantee shall, in connection with the inventory, verify the existence, current utilization, and continued need for the property.

(4) A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft of nonexpendable property shall be investigated and fully documented. If the property was owned by the Federal Government, the grantee shall promptly notify the administrative grant officer.

(5) Adequate maintenance procedures shall be implemented to keep the property in good condition.

(6) Where the grantee is authorized or required to sell the property, proper sales procedures shall be established which would provide for competition to the extent practicable and result in the highest possible return.

(b) *Exempt property.* Title to nonexpendable personal property acquired with grant funds shall be vested in the grantee upon acquisition, unless it is determined that to do so is not in furtherance of the objectives of NASA. When title is vested in the grantee, the grantee shall have no other obligation or accountability to the Federal Government for its use or disposition, except as provided in §§ 1260.408(h), 1260.506(a)(4), and 1260.507(a).

§ 1260.508 Screening of requests for Government furnished equipment.

(a) Pursuant to NMI 4000.2, "NASA Equipment Management," a NASA Equipment Management System (NEMS)

has been established to identify and effect optimum use and reuse of Government-owned equipment items of high value and reuse potential. The NEMS and this paragraph apply only to grantee requests for Government furnished equipment. Requests for grantee acquired equipment are neither required nor encouraged to be screened through the NEMS.

(b) When a grantee requests Government furnished equipment of \$1,000 or more, the grant officer shall screen the item through the Installation's NEMS coordinator. Screening requests shall list the manufacturer, model number, description, national stock number, estimated cost, and any other information deemed necessary by the NEMS coordinator to properly identify the item. Urgent requests may be screened by telephone and documented.

(c) When suitable equipment is located through the foregoing procedures, the holding Installation will place a "freeze" on the item for 10 working days, pending shipping instructions. Extension of the freeze period must be requested through the NEMS Coordinator if shipping instructions cannot be furnished within the required period. (See paragraph 5.307, NASA Equipment Management Manual, NHB 4200.1.)

§ 1260.509 Financial management standards.

As prescribed by OMB Circular No. A-110, the grantee shall be subject to the following financial management standards:

(a) Accurate, current, and complete disclosure of the financial results of the project.

(b) Records that identify adequately the source and application of funds for the grant. These records shall contain

information pertaining to the award, authorizations, obligations, unobligated balances, assets, outlays, and income.

(c) Effective control over and accountability for all funds, property, and other assets. The grantee shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.

(d) Comparison of actual outlays with obligated amounts for the grant.

(e) Procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and the disbursement by the grantee. When advances are made by a letter-of-credit method or electronic funds transfer, the grantee shall make drawdowns as close as possible to the time of making disbursements.

(f) Procedures for determining the reasonableness, allowability, and allocability of costs in accordance with the provisions of § 1260.406 and any other terms of the grant.

(g) Accounting records that are supported by source documentation.

(h) A systematic method to assure timely and appropriate resolution of audit findings and recommendations.

§ 1260.510 Procurement standards.

As prescribed by OMB Circular No. A-110, the grantee shall be subject to the following procurement standards:

(a) The grantee shall maintain a code of standards of conduct that shall govern the performance of its officers, employees or agents engaged in the awarding and administration of a subcontract using NASA funds. No employee, officer, or agent shall participate in the selection, award, or administration of subcontracts under grants using NASA funds, where, to his or her knowledge, there exists a financial interest

on the part of that person, that person's immediate family or partners, or any organization in which that person or an immediate family member or partner has a financial interest or with whom he or she is negotiating or has any arrangement concerning prospective employment. The grantee's officers, employees, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from subcontractors or potential subcontractors. Such standards shall provide for disciplinary actions to be applied for violation of such standards by the grantee's officers, employees, or agents.

(b) All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. The grantee should be alert to organizational conflicts of interest or noncompetitive practices among its subcontractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective subcontractor performance and eliminate unfair competitive advantage, subcontractors that develop or draft specifications, requirements, statements of work, invitations for bids, or requests for proposals should be excluded from competing for such procurements, except when NASA gives approval to a grantee's request to waive this requirement for a particular procurement. Awards shall be made to the bidder/offeror whose bid/offer is responsive to the solicitation and is most advantageous to the grantee--price and other factors considered. Solicitations shall clearly set forth all requirements that the bidder/offeror must fulfill in order for the bid/offer to be evaluated by the grantee. Any and all bids/offers may be rejected when it is in the grantee's interest to do so.

(c) The grantee shall establish procurement procedures that provide for, at a

minimum, the following procedural requirements:

(1) Proposed procurement actions shall follow a procedure to assure the avoidance of purchasing unnecessary or duplicative items. Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical, practical procurement.

(2) Solicitations for goods and services shall be based upon a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such a description shall not, in competitive procurements, contain features which unduly restrict competition. "Brand name or equal" descriptions may be used as a means to define the performance or other salient requirements of a procurement and, when so used, the specific features of the named brand which must be met by bidders/offerors shall be clearly specified.

(3) Positive efforts shall be made by the grantee to utilize small business concerns, small disadvantaged business concerns, Historically Black Colleges and Universities, minority educational institutions, and women-owned small business concerns as sources of supplies and services. Such efforts should allow these sources the maximum practicable opportunity to compete for subcontracts utilizing NASA funds.

(4) The types of procuring instruments used, e.g., fixed-price subcontracts, cost reimbursable subcontracts, purchase orders, and incentive subcontracts, shall be determined by the grantee but must be appropriate for the particular procurement and for promoting the best interest of the program involved. The "cost-plus-a-percentage-of-cost" method of contracting shall not be used.

(5) Subcontracts shall be made only with responsible subcontractors who possess the

potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as subcontractor integrity, record of past performance, financial and technical resources, and accessibility to other necessary resources.

(6) Some form of price or cost analysis should be made in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicators, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability.

(7) Procurement records and files for purchases in excess of \$10,000 shall include the following:

(i) Basis for subcontractor selection.

(ii) Justification for lack of competition when competitive bids or offers are not obtained.

(iii) Basis for award cost or award price.

(8) A system for subcontract administration shall be maintained to ensure subcontractor conformance with terms, conditions, and specifications of the subcontract, and to ensure adequate and timely follow up of all purchases.

(d) The following provisions are required in subcontracts in excess of \$10,000 awarded by the grantee or a subcontractor, regardless of tier.

(1) Provisions or conditions that will allow for administrative, contractual, or legal remedies in instances in which subcontractors violate or breach subcontract terms and provide for such remedial actions as may be appropriate.

(2) Provisions for termination by the grantee, including the manner by which termination will be effected, and the basis for settlement. In addition, such

subcontracts shall describe conditions under which the subcontract may be terminated for default, as well as conditions where the subcontract may be terminated because of circumstances beyond the control of the subcontractor.

(3) A provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR part 60).

(4) For negotiated subcontracts, a provision to the effect that the grantee, NASA, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the subcontractor which are directly pertinent to the specific project, for the purpose of making audits, examinations, excerpts, and transcriptions.

(e)(1) All subcontracts, regardless of tier, which may involve international air transportation shall require subcontractor compliance with the statute cited in § 1260.420(a).

(2) All subcontracts, regardless of tier, which may involve shipment of hazardous materials or other regulated items shall require subcontractor compliance with the regulation cited in § 1260.420(b).

§ 1260.511 Closeout procedures.

The closeout of a grant is the process by which NASA determines that all applicable administrative actions and all required work under the instrument have been completed by the grantee and NASA. Closeout procedures consist of the following steps:

(a) *Initiation.* As a basis for closeout initiation, the NASA grant officer shall determine from the technical officer that work under a particular grant will not be

continued or is completed. The NASA grant officer will promptly notify the administrative grant officer to begin closeout within 90 days of this determination. The administrative grant officer will inform the grantee of pending closeout and the final documentation required. To the extent practicable, such notification will be made prior to the grant's expiration date.

(b) *Reports submission.* The administrative grant officer will ensure that the summary of research and all other final reports have been received by the appropriate NASA offices. Specifically:

(1) Summary of research (see §§ 1260.402(d) through (f) and 1260.605(b)).

(2) Final report of inventions and subcontracts (see §§ 1260.409 and 1260.605(b)).

(3) Final Federal cash transactions report (see §§ 1260.407(a), 1260.603 and 1260.605(c)).

(4) Final property inventory (see §§ 1260.408(h), 1260.506(b), and 1260.604).

(c) *Reports certification.* The administrative grant officer will obtain from the recipients of all NASA reports, written certification that the above-noted reports have been satisfactorily completed. In reviewing the certifications, ensure the following:

(1) The grantee is required to immediately refund any balance of unobligated (unencumbered) cash that NASA has advanced or paid. NASA shall make prompt payment for any remaining allowable, reimbursable costs under the grant being closed out.

(2) Final audit of NASA grants normally occurs as a part of scheduled overall audits performed by the cognizant audit agency. Therefore, requests for audit of specific grants in conjunction with closeout are generally unnecessary and should be reserved for unusual circumstances. Unless

the cognizant audit agency has performed a final audit prior to closeout of the grant, the administrative grant officer shall state in the closeout letter to the grantee that:

"NASA retains the right to recover an appropriate amount after fully considering the recommendations on disallowed costs resulting from any subsequent audit."

(3) The property certification should indicate that disposal of any remaining Government property has been made as directed and that NASA has been compensated for any residual inventory (see § 1260.408(f) through (h)).

(4) Upon administrative grant officer receipt of all four certifications from recipients of the summary of research and other final reports, a grant is considered to be administratively complete. A DD Form 1594 will be provided by ONR to the NASA grant officer for the file. Closeout may be cited as the date the administrative grant officer documents the file that all required actions have been satisfactorily completed, and that no further actions are necessary.

(d) *Prohibitions.* Forms, procedures, or requirements (regardless of modifications) applicable to contracts shall not be used during grant closeout unless otherwise authorized in this handbook. Grantees shall not be requested to complete forms or supply information other than discussed in § 1260.511(b), except in unusual situations.

(e) *Retention of documents.* The original or a signed copy of each grant, with supporting data, shall be retained by the installation, for audit purposes, for 3 years after the expiration date of the grant.

Subpart 6--Reports

§ 1260.601 Individual procurement action report (NASA Form 507).

The grant officer is responsible for submitting NASA Form 507 for all grant actions.

§ 1260.602 Committee on Academic Science and Engineering (CASE) report (NASA Form 1356).

For grants awarded to educational institutions, NASA Form 1356 is submitted with funded procurement requests. In the case of certain non-funded actions for educational institutions, the NASA Form 1356 is initiated by the grant officer.

§ 1260.603 Federal cash transactions report (SF 272).

The SF 272 shall be submitted by the grantee within 15 working days following the end of each Federal fiscal quarter, as a condition of receiving advance payments, in accordance with instructions to be provided by the financial management office of the Installation which issued the grant. Any questions regarding payment should be directed to the financial management officer of that Installation.

§ 1260.604 Inventory listings of equipment.

As provided in § 1260.408(h) of this part 1260, an annual inventory listing of Government furnished equipment will be submitted by July 31 of each year. The listing shall include the information specified in § 1260.507(a)(1) and beginning and ending dollar value totals for the reporting period. Upon receipt of each

annual inventory listing, the administrative grant officer will provide 1 copy to the NASA installation financial management officer and 1 copy to the NASA installation industrial property officer. A final inventory report of Government furnished equipment and grantee acquired equipment is due 60 days after the end of the grant, in accordance with § 1260.408(h). Upon receipt of the final inventory report, the administrative grant officer will provide 1 copy to the technical officer and 1 copy to the NASA Installation industrial property officer.

§ 1260.605 Performance reports, summaries of research, and other final reports.

(a) Three copies of a performance report, including a concise statement of the research accomplished during the report period, shall be submitted for every year of the grant (except the final year) and is due 60 days before the anniversary date of the grant. At the specific request of the technical officer, this requirement may be modified by use of the special condition entitled "Reports Substitution" (see § 1260.422(g)).

(b) By 90 days after the expiration date of the grant, the grantee shall submit three copies of a summary of research which summarizes the results of the entire project. Citation of publications resulting from the research, or abstracts thereof, may serve as all or part of this summary of research. In addition, the grantee will report to NASA whether or not any inventions, required to be reported under the grant, have been made in the performance of work thereunder.

(c) A properly certified final Federal cash transactions report, SF 272, is required from the grantee for each grant as provided

in § 1260.511(b)(3).

(d)(1) Failure to provide a required grant report can result in: the agency and the public being denied information about grant activities; agency officials having less information for making decisions based on the grant; grant closeout being delayed; and confidence being undermined that the grantee will follow requirements under other grants. Consistent with OMB Circular No. A-110, NASA does not withhold payment under grants, for the purpose of ensuring receipt of reports, until a grantee's failure to provide a required report indicates a need for withholding payment.

(2) Because NASA grants provide for advance payments, the circumstances under which NASA grant officers can withhold payment are limited. The grantee has an opportunity to be paid all of the funds before final reports are due. At this point, it is usually too late to withhold payment under the grant for overdue final reports. When a report is more than 90 days overdue, the NASA grant officer can include the special condition for withholding payment in the grant with the overdue report only if the grant is being supplemented with additional funds, and can also include the special condition in other grants that are being awarded or supplemented.

(3) To ensure receipt of reports and summaries of research from any grantee that has failed to comply with Federal reporting requirements for a period longer than 90 days, the NASA grant officer will take, but not to be limited to, the following action: when awarding a new grant or supplementing an existing grant, include the special condition at § 1260.422(h). The special condition instructs the financial management office to withhold from the last payment a dollar amount pending receipt of the satisfactorily completed summary of

research and other final reports identified in § 1260.511(b). The NASA grant officer shall insert in the special condition a dollar amount for withholding that is not more than five percent of the dollar value of the first year of the grant.

(4) The grant officer may waive the withholding requirement for any grant when the grantee has taken corrective action that makes withholding unnecessary. To release for payment the amount withheld, the NASA grant officer shall use a memorandum substantially as shown in Exhibit C as listed in the appendix to this part 1260.

§ 1260.606 Disclosure of lobbying activities (SF LLL).

(a) Grant officers shall provide one copy of each SF LLL furnished under 14 CFR 1271.110 to the Procurement Officer for transmittal to the Director, Procurement Systems Division (Code HM).

(b) Suspected violations of the statutory prohibitions implemented by 14 CFR part 1271 shall be reported to the Director, Procurement Policy Division (Code HP).

§ 1260.607 Debarment and suspension.

The Director, Procurement Policy Division (Code HP) shall provide to the General Services Administration information concerning all NASA debarments, suspensions, determinations of ineligibility, and voluntary exclusions of persons in accordance with 14 CFR 1265.505.

Appendix to Part 1260--Listing of Exhibits

**Exhibit A--Delegation of Administration
Figure 1--General**

**Exhibit A--Delegation of Administration
Figure 2--Property Administration and
Plant Clearance**

**Exhibit A--Delegation of Administration
Figure 3--Close-Out**


**Exhibit A--Delegation of Administration
Figure 4--Memorandum of Agreement**

**Exhibit B--Formats
Figure 1--Research Grant**


**Exhibit B--Formats
Figure 2--Cooperative Agreement**

Exhibit C--Release of Withholding


**Exhibit A - Delegation of Administration
Figure 1 - General**

 National Aeronautics and Space Administration	Letter of Contract Administration Delegation, General	1. NASA CONTROL NO.	2. RECEIVING OFFICE CONTROL NO.
3. TO:		4. FROM:	
5. PRIME CONTRACTOR OR SUBCONTRACTOR AND PLACE OF PERFORMANCE	6. CONTRACT NO. AND DATE	7. FACE VALUE	
	8. CONTRACT TYPE	9. COMPLETION DATE	
10. CONTRACT END ITEM OR SERVICE <i>(Describe briefly)</i>			
<p>11. You are hereby authorized to act as my representative in the administration of this contract. The functions delegated to you for administration are those listed in FAR 42.202(a), excluding those functions listed in NFS 18-42.202(a)(1). Additional functions delegated to you for administration are those functions listed in NFS 18-42.302. (The attached NASA Form 1430A, if any, may require that certain functions be specifically withheld and/or that others be added.)</p> <p>* 12. You are further authorized, within the limits of the contract, to redelegate the functions delegated to you by par. 11 above, unless re delegation authority is specifically withheld on NASA Forms 1430A, attached hereto. Redlegation of functions to be performed on NASA installations, or NASA-controlled launch sites, will be directed to the NASA Procurement Officer of the installation concerned. Should you desire that the redelegated functions be performed by other than the NASA Procurement Office receiving the delegation, your letter of redelegation shall so state.</p> <p>13. The Production Surveillance category requested is <u>N.A.</u> <i>(Use only for delegations to D.O.D.)</i></p> <p>14. You are requested to provide the NASA Contracting Officer with copies of all communications relating to the administration of this contract that you consider significant.</p> <p>15. Please acknowledge acceptance of this delegation by returning two signed copies of NASA Form 1431 <i>(attached)</i> to the NASA Contracting Officer within 5 days of receipt.</p>			
16. TYPED NAME OF CONTRACTING OFFICER	17. SIGNATURE OF CONTRACTING OFFICER	18. DATE	
19. NASA PERSONNEL TO CONTACT WHEN NECESSARY			
<p>*11. You are hereby authorized to act as my representative in the administration of this grant. The functions delegated to you for administration are those listed in paragraph 3.A. of the Memorandum of Agreement between NASA and ONR for Grant Administration. <i>(The attached NASA Form 1430A, if any, may require that certain functions be specifically withheld and/or that others be added. On NASA Forms 1430, 1430A, and 1431, the terms "contract," "contractor," and "Contracting Officer" are to be read as "grant," "grantee," and "grant officer," respectively.</i></p>			

**Exhibit A - Delegation of Administration
Figure 2 - Property Administration and Plant Clearance**

 National Aeronautics and Space Administration	Letter of Contract Administration Delegation, General	1. CONTRACT NO.	2. DELEGATION NO.
This form is to be used to provide special instructions to NASA Forms 1430 and 1432.			
3. FUNCTIONAL AREA (Enter applicable function area in this space, such as Contract Administration, Production Administration, Quality Assurance, etc. Use separate forms for each functional area delegated.)			
<p align="center">PROPERTY ADMINISTRATION AND PLANT CLEARANCE</p>			
4. SPECIAL INSTRUCTIONS			
A. NASA property administration and plant clearance requirements generally correspond to DOD's. The differences, which are highlighted below, will require your special attention:			
<ol style="list-style-type: none"> 1. The grantee shall maintain property records and otherwise manage nonexpendable personal property utilized in the performance of this grant in accordance with the provisions of 14 CFR 1260.507. Check for compliance during system surveys of the records function. 2. Ensure all cases of loss, damage, or theft of NASA property are promptly investigated, adequately documented, and reported to the grant officer (14 CFR 1260.507(a)(4)). Ensure discoveries of unrecorded property, as well as losses, are investigated, documented, and reported to identify both the causes and necessary actions to prevent recurrence of the discrepancies. 3. Distribute copies of inventory listings (14 CFR 1260.604). Under no circumstances will Government property be disposed of without instructions from NASA. 4. Ensure all NASA identifications are removed or obliterated prior to disposition of property other than by return to NASA or reutilization on other NASA programs/contracts/grants. 5. NASA delegates approval authority for property acquisitions beyond those in the approved proposal budget (14 CFR 1260.408). Ensure that grantee procedures provide that such requests are forwarded to the administrative grant officer. ONR may telephonically obtain technical officer concurrence for property acquisition. ONR will fax approval to the grantee and mail a copy of the approval to the individual listed in Block 5 below. Check for compliance during system surveys of the acquisition function. Also, please note that NASA policy is to <u>not</u> furnish grantees property acquired from Government excess listings. 			
B. Provide the following data/documents to the individual listed in Block 5 below:			
<ol style="list-style-type: none"> 1. One copy of <u>each</u> system survey summary performed for this grantee. 2. Notification of all granting of relief of responsibility for lost, damaged, or destroyed property under this grant. 3. A letter or DD 1593 stating that all required property actions in 14 CFR 1260.511 have been completed. 			
5. NASA CONTACT DESIGNATED FOR THIS FUNCTION			
a. NAME		b. PHONE	

**Exhibit A - Delegation of Administration
Figure 3 - Close-Out**

 <p>Letter of Contract Administration Delegation, General</p>	1. CONTRACT NO.	2. DELEGATION NO.
<p><small>This form is to be used to provide special instructions to NASA Forms 1430 and 1432.</small></p>		
<p>3. FUNCTIONAL AREA <i>(Enter applicable function area in this space, such as Contract Administration, Production Administration, Quality Assurance, etc. Use separate forms for each functional area delegated.)</i></p> <p align="center">CLOSE-OUT</p>		
<p>4. SPECIAL INSTRUCTIONS</p> <p>(a) ONR will perform the grant officer functions set forth in 14 CFR 1260.511.</p> <p>(b) ONR may authorize additional time for submission of reports as necessary and reasonable.</p> <p>(c) ONR may perform a final desk review in lieu of a final audit by the cognizant agency.</p> <p>(d) Provide the NASA grant officer a DD 1594 stating that the grant is administratively complete and that close-out is recommended. The accepted reports certifications (14 CFR 1260.511(c)) shall be attached. If property administration and plant clearance has been delegated, a copy of the letter or DD 1593 indicating completion of all required property actions shall be attached.</p> <p>(e) A separate delegation for property administration and plant clearance has been made previously or accompanies this delegation. <input type="checkbox"/> YES. <input type="checkbox"/> NO.</p> <p>(f) Names, titles and addresses of individuals and/or offices to contact for certifications regarding the reports in 14 CFR 1260.511(b):</p> <p>Summary of research:</p> <p>Final report of inventions and subcontracts:</p> <p>Final financial report:</p> 		
<p>5. NASA CONTACT DESIGNATED FOR THIS FUNCTION</p>		
<p>a. NAME</p> <p align="center">(grant officer)</p>		<p>b. PHONE</p>

**Memorandum of Agreement
between the
National Aeronautics and Space Administration
and the
Office of Naval Research
for
Grant Administration Services to be Provided to NASA by ONR**

1. Purpose:

This agreement between the Office of Naval Research (ONR) and the National Aeronautics and Space Administration (NASA) establishes policies and procedures under which ONR will provide grant administration services in support of NASA grants. ONR support is provided on a reimbursement basis in accordance with the NASA-DOD Agreement for Performance of Contract Administration and Contract Audit Services.

2. Authority:

Section 203(b) of the National Aeronautics and Space Act of 1958, P.L. 85-568 (72 Stat 429; 42 U.S.C. 2473(b)(6)) and the Economy Act of 1932, as amended, 31 U.S.C. 1535 et seq.

3. Scope:

A. This agreement includes, but is not limited to, the following categories of support to be provided by ONR when requested by NASA in a letter of delegation of authority on individual grants:

1. Perform cash management and fund expenditure reviews.
2. Perform property administration and plant clearance.
3. Review and approve or disapprove grantee requests to acquire equipment or other property.
4. Maintain surveillance of grantee procurement, financial, and property management systems.
5. Ensure timely submission of required reports.
6. Conduct administrative close-out procedures.
7. Quality assurance.

B. The following functions are not included in the scope of this agreement, as they are retained by NASA as a matter of policy:

1. Payment
2. Consent to the placement of subcontracts or subawards.
3. Suspension, termination or revocation.
4. Technical monitoring and oversight.

C. Delegations under individual grants may refer to this agreement to obtain services in 3.A. above, or with the

concurrence of the cognizant ONR representative, may cite other specific functions to be performed, depending upon the circumstances. Delegations of authority must be accepted in writing and returned to the Grants Officer to support reimbursable billings.

4. **Administrative Guidance:** Grant administration functions will be performed in accordance with the terms of NASA grants and ONR procedures unless otherwise specifically provided in letters of delegation. Enclosure 1. contains additional guidance on the services to be performed in each support category. ONR and NASA personnel will maintain regular communication on grant management.
5. **Documentation:** NASA will furnish to ONR copies of the grant (including the budget), correspondence between NASA and the grantee, and any special publications or documents required to be used in the administration of a grant not otherwise available to ONR.
6. This Agreement shall take effect upon the latest signature date below, and shall remain in effect through January 31, 1996, unless sooner terminated by either party upon thirty days written notice.



Charles R. Paoletti
Director,
University Business Affairs
Office of Naval Research

Date: 23 September 1993



Walker Lee Evey
Director, Procurement
Policy Division
NASA Headquarters

Date: 30 August 1993

Enclosure

ADDITIONAL GUIDANCE FOR CATEGORIES OF SUPPORT

MOA Reference	Support Provided
3.A.1.	Perform cash management and fund expenditure reviews. Periodically review Federal Cash Transactions Reports (SF 272). Ensure compliance by the grantee with the Office of Management and Budget Circular No. A-133 and advise the NASA grant officer of any noncompliance, systemic deficiencies, or cases of unallowable costs.
3.A.2.	Perform property administration and plant clearance. Oversee grantee property control and plant clearance systems and procedures, including such tests as are necessary to insure the adequacy of these systems. Ensure that all cases of loss, damage, or theft of NASA property are promptly investigated, documented, and reported to the Grants Officer in a timely manner. Monitor, and assure submission of annual inventory listings of NASA property in the custody of the grantee as required by the grant provision "Equipment and Other Property". Oversee the disposition of NASA property after completion of grant performance.
3.A.3.	Review and approve or disapprove grantee requests to acquire equipment or other property. After coordinating as necessary with NASA technical or grants personnel, and observing the relevant restrictions in the NASA Grants Handbook.
3.A.4.	Maintain surveillance of grantee financial, procurement, and internal control systems. Individual delegations of authority may call for more specific attention to selected issues, if determined necessary by the Grants Officer.
3.A.5.	Ensure timely submission of required reports. In particular, NASA will use performance reports as an important part of decisions relating to the term of the grant. Timely submission is essential to orderly management of the grant program.
3.A.6	Conduct administrative closeout procedures: The NASA Grants Officer will notify ONR 90 days after grant completion whether or not closeout procedures are to be initiated. ONR will assure completion of all required reports and disposition of any residual Government property, notifying the Grants Officer when administrative functions have been completed.

- 3.A.7. Quality Assurance: When quality assurance functions are required, a statement of quality requirements will be included in individual letters of delegation.

MOA Reference

MILESTONES

The following normal time periods are established for the routine performance of the above functions. Significant differences from these expected times should be coordinated between the ONR grant administrator and the NASA Grants Officer. Times are expressed in working days.

- 3.A.1. The Federal Cash Transaction Reports should be reviewed no later than thirty (30) days following the quarter in which the expense is made.
- 3.A.2. Reports of loss, damage, or theft of property within seven (7) days of the incident. Annual property inventory prior to August 15 of each year.
- 3.A.3 Seven (7) days from receipt by ONR.
- 3.A.4. In accordance with schedules established by ONR for the institution. For grantees not regularly scheduled by ONR, as agreed by ONR and NASA representatives.
- 3.A.5. Follow up within ten (10) days for reports not timely submitted.

**NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
RESEARCH GRANT**

- | | |
|--------|---------------------|
| 1. To: | 2. Grant Number: |
| | 3. Supplement: |
| | 4. Effective date: |
| | 5. Expiration date: |

6. For research entitled:

7. Under the direction of (Principal Investigator):

<u>Award History</u>	<u>Funding History</u>
Previous amount: \$	Previous obligation: \$
This action: \$	This action: \$
Total to date: \$	Total obligation to date: \$

9. NASA Procurement Request Number:
PPC Number: Appropriation:

10. Points of Contact (name of office or individual, address, and telephone number):

Technical officer:	Administration:
--------------------	-----------------

Payment:	Grant negotiator:
----------	-------------------

11. This grant is awarded under the authority of 31 U.S.C. 6301, et seq., and is subject to all applicable laws and regulations of the United States in effect on the date this grant is awarded, including but not limited to 14 CFR Part 1260 (Grants and Cooperative Agreements).

12. Applicable statement, if checked:

_____ The Federal Demonstration Project General Terms and Conditions and the NASA Agency-Specific Requirements apply to this grant.

_____ No change is made to existing provisions or special conditions.

UNITED STATES OF AMERICA

_____ (signature and date)
(name), Grant Officer

Applicable enclosure(s), if checked:

_____ Provisions
_____ Special conditions
_____ Budget summaries and details

**NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
COOPERATIVE AGREEMENT**

- | | |
|--------|-------------------------|
| 1. To: | 2. Coop. Agreement No.: |
| | 3. Supplement: |
| | 4. Effective date: |
| | 5. Expiration date: |

6. For research entitled:

7. Under the direction of (Principal Investigator):

8. <u>Award History</u>	<u>Funding History</u>
Previous amount: \$	Previous obligation: \$
This action: \$	This action: \$
Total to date: \$	Total obligation to date: \$

9. NASA Procurement Request Number:
PPC Number: Appropriation:

10. Points of Contact (name of office or individual, address, and telephone number):

Technical officer:	Administration:
--------------------	-----------------

Payment:	Grant negotiator:
----------	-------------------

11. This cooperative agreement is awarded under the authority of 31 U.S.C. 6301, et seq., and is subject to all applicable laws and regulations of the United States in effect on the date this cooperative agreement is awarded, including but not limited to 14 CFR Part 1260 (Grants and Cooperative Agreements).

12. Applicable statement, if checked:

_____ No change is made to existing provisions or special conditions.

UNITED STATES OF AMERICA

_____ (signature and date)
(name), Grant Officer

Applicable enclosure(s), if checked:

_____ Provisions
_____ Special conditions
_____ Budget summaries and details

Provisions

The following provisions are incorporated by reference:

Full Text Reference	Title	Date
§ 1260.402	Publications and Reports	Jun. 1993
§ 1260.403	Extensions	Jun. 1992
§ 1260.404	Suspension or Revocation	Sep. 1993
§ 1260.405	Change in Principal Investigator or Scope	Feb. 1992
§ 1260.406	Allowable Costs	Jun. 1993
§ 1260.407	Financial Management	Jun. 1992
§ 1260.408	Equipment and Other Property	Jun. 1993
§ 1260.409	Patent Rights-Retention by the Grantee	Feb. 1992
§ 1260.410	Rights in Data	Feb. 1992
§ 1260.411	Security	Jun. 1992
§ 1260.412	Civil Rights	Jun. 1993
§ 1260.413	Subcontracts	Jun. 1992
§ 1260.414	Clean Air-Water Pollution Control Acts	Mar. 1992
§ 1260.415	Procurement Standards	Feb. 1992
§ 1260.416	Interest Bearing Accounts	Jan. 1992
§ 1260.417	Debarment and Suspension and Drug-Free Workplace	Feb. 1992
§ 1260.418	Foreign National Employee Investigative Requirements	May 1992
§ 1260.419	Restrictions on Lobbying	Apr. 1990
§ 1260.420	Travel and Transportation	Jun. 1993
§ 1260.421	Program Income	Jun. 1992

(Source: 14 CFR Part 1260. Provisions incorporated by reference have the same force and effect as if they were given in full text. Copies of Code of Federal Regulation volumes are available in many libraries and for purchase from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402. Copies of OMB Circulars referenced in the provisions may be obtained from the Office of Administration, Publications Unit, Room G-236, New Executive Office Building, Washington, D.C. 20503. An index of existing Circulars is contained in 5 CFR 1310.)

Budget Summary

From _____ to _____

NASA USE ONLY

	A	B	C
1. Direct Labor (salaries, wages, and fringe benefits)	_____	_____	_____
2. Other Direct Costs:			
a. Subcontracts	_____	_____	_____
b. Consultants	_____	_____	_____
c. Equipment	_____	_____	_____
d. Supplies	_____	_____	_____
e. Travel	_____	_____	_____
f. Other	_____	_____	_____
3. Indirect Costs	_____	_____	_____
4. Other Applicable Costs	_____	_____	_____
5. Subtotal--Estimated Costs	_____	_____	_____
6. Less Proposed Cost Sharing (if any)	_____	_____	_____
7. Carryover Funds (if any)			
a. Anticipated amount _____			
b. Amount used to reduce budget	_____	_____	_____
8. Total Estimated Costs	_____	_____	XXXXXXXX
APPROVED BUDGET	XXXXXXXX	XXXXXXXX	_____

Instructions

1. Provide a separate budget summary sheet for each year of the proposed research.
2. Grantee estimated costs should be entered in Column A. Columns B and C are for NASA use only. Column C represents the approved grant budget.
3. Provide in attachments to the budget summary the detailed computations of estimates in each cost category, along with any narrative explanation required to fully explain proposed costs.

----- ADDITIONAL INSTRUCTIONS ON REVERSE -----

Specific Costs

1. **Direct Labor (salaries, wages, and fringe benefits).** Attachments should list number and titles of personnel, amount of time to be devoted to the grant, and rates of pay.
2. **Other Direct Costs:**
 - a. **Subcontracts** - Attachments should describe the work to be subcontracted, estimated amount, recipient (if known), and the reason for subcontracting this effort.
 - b. **Consultants** - Identify consultants to be used, why they are necessary, time to be spent on the project, and rates of pay (not to exceed the equivalent of the daily rate for GS-18 in Federal service, excluding expenses and indirect cost.)
 - c. **Equipment** - List separately and explain the need for items of equipment exceeding \$1,000. Describe the basis for the estimated cost. General purpose, non-technical equipment is not allowable as a direct cost to NASA grants unless specifically approved by the grant officer.
 - d. **Supplies** - Provide general categories of needed supplies, the method of acquisition, estimated cost, and the basis for the estimate.
 - e. **Travel** - List proposed trips individually, describe their purpose in relation to the grant, provide dates, destination, and number of travellers where known, and explain how the cost for each was derived.
 - f. **Other** - Enter the total of any other direct costs not covered by 2.a. through 2.e. Attach an itemized list explaining the need for each item and the basis for the estimate.
3. **Indirect Costs** - Identify indirect cost rate(s) and base(s) as approved by the cognizant Federal agency, including the effective period of the rate. Provide the name, address, and telephone number of the Federal agency and official having cognizance over such matters for the institution. If unapproved rates are used, explain why and include the computational basis for the indirect expense pool and corresponding allocation base for each rate.
4. **Other Applicable Costs** - Enter the total of any other applicable costs. Attach an itemized list explaining the need for each item and the basis for the estimate.
5. **Subtotal-Estimated Costs** - Enter the sum of items 1., 2.a. through 2.f., 3., and 4.
6. **Less Proposed Cost Sharing (if any)** - Enter the amount proposed, if any. If cost sharing is based on specific cost items, identify each item and amount in attachment.
7. **Carryover Funds (if any)** - Enter the dollar amount of any funds that are expected to be available for carryover from the prior budget period. Identify how the funds will be used if they are not used to reduce the budget. NASA officials will decide whether to use all or part of the anticipated carryover to reduce the budget. Not applicable to 2nd-year and subsequent-year budgets submitted for the award of a multiple year grant.
8. **Total Estimated Costs** - Enter the total after subtracting items 6. and 7.b. from item 5.

Exhibit C - Release of Withholding

(Date)

TO: Financial Management Office

FROM: Grant Officer

SUBJECT: Release of Withholding Under Grant Number _____

The summary of research and other final reports have been received from the grantee, (name of grantee). The Financial Management Office may release for payment the amount withheld under the special condition entitled "Withholding."

(Signature and name)

